

USDA Philippines Newsletter

February 2018



Philippine Government and industry representatives learn the benefits of protecting common food names at the U.S. Patent and Trademark Office and Consortium for Common Food Names.

WHAT TO EXPECT IN 2018

Food and Hotel Asia: FAS/Manila will conduct market briefings and facilitate one-on-one meetings with Philippine buyers for U.S. companies at the Food and Hotel Asia (FHA) trade show in Singapore on April 24-27, 2018. FHA showcases food, beverages, hotels, bakeries, restaurants, catering, and equipment. The trade show attracts hoteliers, retailers, investors, consultants, and buyers from around the region. FAS/Manila will promote the Philippines as one of the largest markets for U.S. food and beverage products in Southeast Asia.

Thaifex Buying Mission: FAS/Manila will lead a team of hotel, restaurant, institutional, and retail buyers from the Philippines to Thaifex: World of Food in Bangkok on May 29 to June 2 to meet with U.S. Pavilion exhibitors. Thaifex is ASEAN's largest food and beverage (F&B) trade show with exhibitors from 130 countries. U.S. F&B exports to the Philippines were valued at nearly \$1 billion in 2017 and projected to grow further.

U.S. Fine Food Show in Iloilo: FAS/Manila, in collaboration with U.S. industry associations and importers, will organize a “U.S. Fine Food Show” in July. The two-day event will be held in Iloilo City, one of the fastest emerging markets for U.S. food and beverage products in the Visayas region. The show will feature a massive table top showcase, technical seminars, product demonstrations, one-on-one meetings, and a trade reception.

WOFEX Manila: FAS/Manila, together with U.S. industry associations, suppliers, and importers, will feature a U.S. Pavilion at WOFEX World Food Expo Manila on August 1-4 to showcase the availability, variety, and quality of U.S. food and beverage products. WOFEX Manila is the most-attended exhibition in the Philippines for food and beverage products and associated industry equipment from around the world. The exhibition attracts more than 50,000 culinary professionals, hoteliers, restaurateurs, retailers, and food processors from all over the Philippines.

Fellowship with FAS: FAS/Manila will host regular dinner fellowships among public and private food industry professionals to feature a variety of new-to-market U.S. food and beverage products, identify market trends and emerging trade opportunities, and plan collaborative efforts.

Wine Dinner Series: FAS/Manila will provide a venue space for a series of dinners hosted by importers who will promote the availability, variety, and quality of U.S. wines and fine food products (e.g., meat, seafood, and cheese). Approximately 200 guests that include importers, food connoisseurs, and journalists are expected to attend. The United States has long been a leading supplier of wine to the Philippines, and as the economy continues to grow additional sales are anticipated.

Genetic Engineering Labeling Seminar: FAS/Manila will host a U.S. agricultural biotechnology expert to travel to the Philippines to brief Philippine lawmakers and regulators on how the United States discloses genetically-engineered (GE) ingredients in food products. The seminar will highlight the rationale behind the U.S. GE labelling law and a consumer’s “right to know” versus any food safety concern. This effort will aid the 17th Congress in making decisions regarding GE labeling laws. The Philippines is a regional leader on agricultural biotechnology but there is a vocal and politically-influential opposition in the country.

U.S. Feed Establishment Audit: FAS/Manila will accompany a delegation from the Philippine Department of Agriculture to the United States to conduct an audit of U.S. feed facilities. This is a routine audit and necessary to keep the Philippines market open for U.S. exporters. The United States exported nearly \$750 million of soybean meal in 2017.

Cold-Chain Seminar: FAS/Manila will conduct a workshop on the importance of adequate cold-chain systems for local livestock producers and cold-store operators. Insufficient cold-chain infrastructure can result in food safety concerns and significant food wastage. This workshop ensures that once U.S. products enter the country they remain safe for consumers to enjoy.

Food Safety and Hygiene Seminar for Philippine Meat Inspectors: FAS/Manila will host a U.S. food safety expert to conduct training on best practices in food safety and hygiene for the

National Meat Inspection Service. This effort is critical to ensure that U.S. meat products are treated fairly in the marketplace and to keep products safe for consumers to enjoy. U.S. exports of beef, pork, and poultry were valued at roughly \$250 million in 2017.

HIGHLIGHTS FROM 2017

Common Food Names Workshop: FAS/Manila and the Philippine Intellectual Property Office hosted a one-day workshop on Common Food Names and Geographic Indications on September 25, 2017 for over 50 Philippine government and industry representatives. The U.S. Patent and Trademark Office and the Consortium for Common Food Names explained the importance of protecting common food names for general use among food manufactures while also undertaking specific branding efforts (i.e., geographic indications) in a way that does not infringe upon generic name use.

Fellowship with Food Franchises: FAS/Manila, FCS/Manila (Foreign Commercial Service), and 17 importers partnered to host a trade reception showcasing U.S. food and beverage (F&B) products for major food franchises in the Philippines on September 20, 2017. The event was supported by the Philippine Franchise Association and the Hotel and Restaurant Purchasing Managers Association of the Philippines, and attended by 120 key decision makers of U.S. and Philippine food franchises (e.g., McDonald's, Burger King, Jollibee, and Pancake House). The food service industry in the Philippines is a rapidly growing sector, with franchises expanding their domestic presence. Exports of U.S. F&B were valued at almost \$1 billion in 2017, nearly doubling over the past five years.

Fellowship with FAS (Seminar and Trade Reception with Association of Hotel and Restaurant Purchasing Managers of the Philippines): As part of its regular Fellowship with FAS series of promotional events, FAS/Manila partnered for the first time with the Association of Hotel and Restaurant Purchasing Managers of the Philippines to conduct a seminar series, followed by a combination of tabletop trade show and industry reception on August 24, 2017. More than 120 participating buyers attended with reported booked sales of \$36,000 for the first three months.

WOFEX Manila: FAS/Manila provided a USA Pavilion (20 booths) at WOFEX World Food Expo Manila for importers to showcase U.S. food and beverage products (F&B) on August 2-5, 2017. The event was well attended by U.S. exporters and trade associations (e.g., Raisin Administrative Committee, USA Poultry and Egg Export Council, U.S. Meat Export Federation, Potatoes USA, and California Milk Advisory Board). FAS arranged one-on-one meetings and hosted a networking reception on August 4. Participants anticipated sales to reach \$750,000 over a 12-month period as a direct result of being included in the USA Pavilion.

Fellowship with FAS (U.S. Wine Tasting Event): FAS/Manila provided a venue space for importers who hosted a U.S. wine tasting event on July 28, 2017 at Fairmont Makati in Metro Manila that promoted the availability, variety, and quality of U.S. wines. The event housed nine importers featuring 30 wine brands, and attracted more than 200 wine enthusiasts. The United

States has long been a leading supplier of wine to the Philippines. In 2017, U.S. wine exports to the Philippines reached \$11.6 million, increasing \$200,000 from the previous year.

Genetic Engineering Risk Communication Training: Five officials from the Departments of Science and Technology (DOST), Environment (DENR), and Health (DOH) were sent to the United States July 17-26, 2017 for a ten-day technical training on genetic engineering (GE) risk assessment as part of USDA's Cochran Fellowship program. DOST, DENR, and DOH have larger roles in the GE regulatory process after recent changes to law. This training explained U.S. agricultural biotechnology laws and regulations. These agencies' complete understanding of agricultural biotechnology and its role within the global agricultural market is absolutely critical to timely processing of applications for new events. The Philippines livestock sector is dependent upon imported soybean meal.

U.S. Fine Food Show in Cebu: FAS/Manila provided a booth at WOFEX World Food Expo Cebu for local importers to showcase U.S. food and beverage (F&B) products on April 20-22, 2017 in Cebu City. Additionally, FAS/Manila hosted a U.S. Fine Foods Trade Reception that was attended by more than 120 food industry representatives to highlight the availability, quality, and versatility of U.S. F&B. U.S. F&B exports to the Philippines were valued at nearly \$1 billion in 2017 and projected to grow further.

ACDI/VOCA Stakeholders Forum: Agricultural Attaché, Agricultural Specialist, and Washington D.C.-based specialist travelled to Davao City on March 20-23, 2017 to strengthen works plans with the Salaysay Upland Farmers Association, the Cacao Industry Development Association of Mindanao, Inc., and ACDI/VOCA (the Washington D.C.-based development organization implementing USDA's Food for Progress food aid program that increases productivity in agricultural trade and commerce in Mindanao). Coffee producers participating in the program for the first time ever won specialty grade status for their coffees, which put the Philippines on the map as a producer of single origin coffees for high-end retailers.

Winrock Strategy Planning: Agricultural Counselor, Agricultural Specialist, and Washington D.C.-based specialist travelled to Caraga on March 1-3, 2017 to strengthen work plans among beneficiaries and Winrock (the Arkansas-based development organization implementing USDA's Food for Progress food aid program that improves cold-chain systems in Mindanao). Commitments were secured from a financial institution to provide agricultural loans to beneficiaries, without which, the project would stall.

MDM Survey: FAS/Manila, U.S. Meat Export Federation, and U.S.A. Poultry and Egg Export Council commissioned a study on the use of mechanically-deboned meat (MDM) by small- and medium-sized meat processors. The study was conducted by the Department of Science and Technology's Food Nutrition and Research Institute and examined the size of the sector, number of participants, sources of imported meat, specifications for raw materials, and food safety. U.S. MDM of poultry exports to the Philippines were valued at over \$25 million in 2016.

RECENT GLOBAL AGRICULTURAL INFORMATION NETWORK (GAIN) REPORTS

<https://gain.fas.usda.gov/Lists/Advanced%20Search/AllItems.aspx>

Food and Agricultural Import Regulations and Standards - Certificate Report

https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Food%20and%20Agricultural%20Import%20Regulations%20and%20Standards%20-%20Certification_Manila_Philippines_12-6-2017.pdf

Food and Agricultural Import Regulations and Standards - Country Report

https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Food%20and%20Agricultural%20Import%20Regulations%20and%20Standards%20-%20Narrative_Manila_Philippines_12-18-2017.pdf

Food Retail Sectoral Report

https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Retail%20Foods_Manila_Philippines_12-1-2017.pdf

U.S. Fine Foods Show Targets Davao for Increased Sales

https://gain.fas.usda.gov/Recent%20GAIN%20Publications/U.S.%20Fine%20Foods%20Show%20Targets%20Davao%20for%20Increased%20Sales%20_Manila_Philippines_11-24-2017.pdf

Philippine Agricultural Biotechnology Situation and Outlook

https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Agricultural%20Biotechnology%20Annual_Manila_Philippines_11-9-2017.pdf

Workshop on Common Food Names and GI

https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Workshop%20on%20Common%20Food%20Names%20and%20GI_Manila_Philippines_10-24-2017.pdf

FACTS AND FIGURES

U.S. Dairy Exports Value in Thousands of U.S. Dollars				
2013	2014	2015	2016	2017
363,957	421,528	251,271	226,901	243,262
<i>U.S. Census Bureau Trade Data, Calendar Year</i>				

U.S. Pork Exports Value in Thousands of U.S. Dollars				
2013	2014	2015	2016	2017
112,254	103,512	79,484	78,923	97,489
<i>U.S. Census Bureau Trade Data, Calendar Year</i>				

U.S. Poultry Exports Value in Thousands of U.S. Dollars				
2013	2014	2015	2016	2017
83,166	92,801	67,749	77,259	91,406
<i>U.S. Census Bureau Trade Data, Calendar Year</i>				

U.S. Wheat Exports Value in Thousands of U.S. Dollars				
2013	2014	2015	2016	2017
627,438	697,942	516,146	591,898	564,943
<i>U.S. Census Bureau Trade Data, Calendar Year</i>				

U.S. Soybean Meal Exports Value in Thousands of U.S. Dollars				
2013	2014	2015	2016	2017
604,826	585,189	634,604	729,628	747,433
<i>U.S. Census Bureau Trade Data, Calendar Year</i>				

EXPORT HIGHLIGHT

The Philippines is the largest market in the world for U.S. soybean meal. Exports climbed 82 percent from 1.120 MMT in 2013 to 2.041 MMT in 2017 on a rapidly expanding domestic livestock industry. With economic growth slated at 6 percent annually for the near-term, rising incomes mean people are expected to eat more meat. The livestock industry is poised to increase productivity as additional demand comes online. U.S. exporters are well-positioned to fuel this growth by providing much-needed soybean meal as there are no readily-available substitutes.

CONTACT INFORMATION

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